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DEPARTMENT OF DEFENSE JOINT ACQUISITION POLICY AND REPORTING REQUIREMENTS

General

The Department of Defense Directive (DoDD) 5000.1 and Department of Defense Regulation 5000.2-R rank first and second in order of precedence for providing mandatory policies and procedures for the management of acquisition programs, except when statutory requirements override. The DoDD 5000.1 describes broad management principles which are applicable to **all** DoD acquisition programs including joint acquisitions. The DoD 5000.2-R describes operating procedures which are mandatory for Major Defense Acquisition Programs (MDAPs), Major Automated Information System (MAIS), and contain some mandatory guidance for selected nonmajor programs. This chapter highlights some policy areas of joint emphasis and the key documents that may be required of joint programs.

Memorandums of Agreement and Memorandums of Understanding

The terms Memorandum of Agreement (MOA) or Memorandum of Understanding (MOU) are usually interchangeable. They are the basis of a good joint program. They define the ground rules from which most other management actions flow. The rules for MOAs and MOUs for joint programs were defined in an MOA on Management of Multiservice Programs, signed 20 July 1973 (Appendix A). It is still the basis for the

authority given multiservice program managers (PMs).

Early identification of joint service opportunities ensures all players are brought in prior to the start of development. Having interested parties hammer out the details *before* development starts is critical to success. In particular, the process for negotiating the joint requirements is identified in the MOU. All participants must clearly state joint operational requirements and agree to them. If all participants do not agree to the requirements “up front,” the joint PM will have a hard time trying to satisfy changing demands from two or more chains of command.

Typically these are some issues that should be addressed in MOAs and MOUs:

- Management
 - Determine the PM’s scope of authority
 - Establish selection criteria
 - Define relationships between participants
 - full partners
 - associates
 - Determine management organization relationships
- Requirements
 - Establish program requirements
 - Establish process for validating changes
 - Define who can create changes
- Security
 - Determine degree of risk
 - Determine what will be controlled
 - Determine how control will occur
- Funding
 - Determine funding source
 - Determine share ratios/amounts

- Agree to funds control measures
- Contracting
 - Type of contract
 - Whose rules (lead/participating)
- Conflict Resolution Device(s)
- Integrated Product Teams (IPTs) to cover:
 - Requirements
 - Logistics
 - Cost/performance trade-offs
 - Interface/configuration control
 - Test and Evaluation (T&E)

Not all joint programs have MOUs or MOAs. On the other hand, some have many. It is possible to run a program without them; they just make it easier. It all depends on the needs of a specific program.

Acquisition Reviews

In support of all Acquisition Category (ACAT) ID and IAM programs, an Overarching Integrated Product Team (OIPT) is formed to provide assistance, oversight, and review as that program proceeds through its acquisition life cycle. The OIPT for ACAT ID programs is led by the appropriate Office of the Secretary of Defense (OSD) official (typically the Director of Strategic and Tactical Systems, the Assistant Deputy Under Secretary of Defense (Space and Acquisition Management), or the Deputy Assistant Secretary of Defense (Command, Control, Communications, and Intelligence/Acquisition) (DASD(C³I)/A), depending on the program in question). The DASD (C³I)/A will designate the OIPT leader for each ACAT IAM program. The OIPTs are composed of the PM, program executive officer (PEO), component staff, joint staff, Under Secretary of Defense (Acquisition and Technology)

(USD(A&T)) staff, and the OSD staff principals or their representatives, involved in oversight and review of a particular ACAT ID or IAM program.

In support of a planned milestone review by the Defense Acquisition Board (DAB) or Major Automated Information System Review Council (MAISRC), the OIPT normally convenes two weeks in advance of the anticipated review to assess information and develop recommendations for the milestone decision authority (MDA). A DAB Readiness Meeting (DRM) is normally conducted a couple of days prior to the DAB to provide the OIPT leader and the Component Acquisition Executive (CAE) an opportunity to make a recommendation as to whether the program is prepared to proceed to a formal DAB review. The DoD and component acquisition review processes include an analysis of potential for joint program designation. The OIPT leader, in coordination with the appropriate CAE, recommends to the MDA whether the anticipated review should go forward as planned.

Reporting Chains

Like service-unique programs, joint programs must have short, clear lines of authority. Figure 2-1 shows a typical ACAT ID and IAM joint program authority chain, which includes an acquisition authority, PEO, and PM. However, some joint programs may be structured with the joint PM reporting directly to the MDA.

Requirements

Joint program requirements may be initiated by a Unified Command, Commander-in-Chief (CINC), but the preferred means is staffing through a component in support of the concerned CINC.

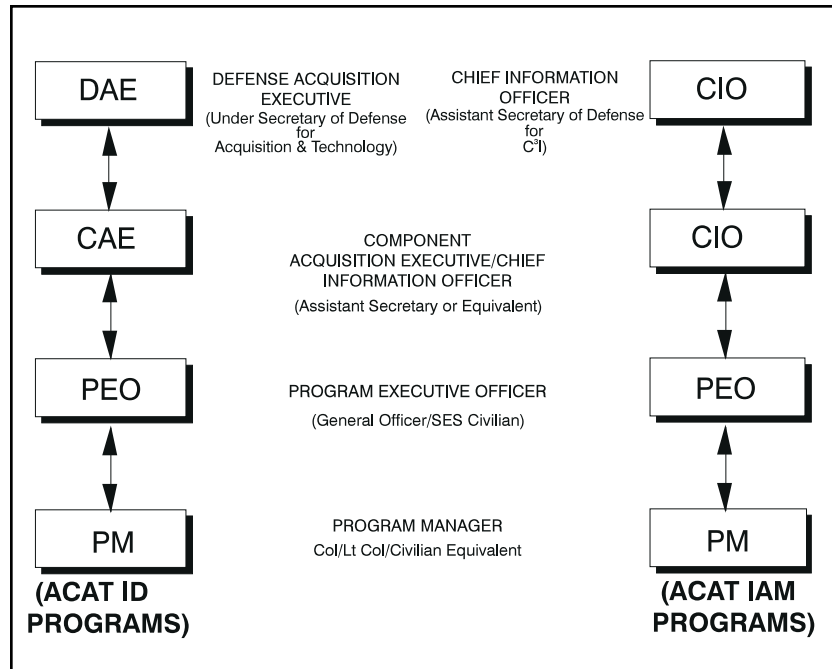


Figure 2-1. Joint DoD Acquisition Authority Chain (ACAT I Programs)

- The joint PM should learn the combatant commander's rationale for major programs, e.g., obtain wide-area battlefield surveillance or attack time-critical targets in adverse weather and at night.
- The joint PM must be sensitive to component concerns, e.g., operation in damp, salty environments; maintenance training; and weight.

Test and Evaluation

Just as for component-unique programs, the OSD Director, Operational Test and Evaluation (DOT&E) and the Director, Test, Systems Engineering, and Evaluation (DTSE&E) must provide written approval for the testing and evaluation ad-

equacy of most joint programs⁶. A combined developmental test and operational test (DT/OT) approach is encouraged to achieve time and cost savings. The combined approach must not compromise either DT or OT. A final independent phase of OT and evaluation is required for ACAT I and II programs prior to Milestone III. A lead organization must be designated to coordinate all testing involving more than one military department or defense agency. Test and evaluation programs must be structured to integrate all developmental test and evaluation (DT&E), OT&E, live-fire test and evaluation (LFT&E), and modeling and simulation activities conducted by different agencies as an efficient continuum. Test and evaluation objectives for each phase of development must be designed to allow assessment of system performance appropriate to each phase and milestone.

Lead Component Responsibilities

The designated lead Component:

- Maintains current program documentation;
- Manages the flow of milestone review and periodic reporting through the lead DoD service acquisition chain; and
- Manages the common research, development, test, and evaluation (RDT&E) funds for assigned joint programs (unless directed otherwise).

Program Funding

The lead component funds RDT&E for all program aspects that satisfy common requirements (unless funding exemption

⁶ DOT&E and DTSE&E issue an annual OSD Test and Evaluation Oversight list of programs subject to OSD T&E oversight and review. Typically, all ACAT I, IA, and II programs, as well as many ACAT III programs are on this list.

has been approved by the MDA). Procurement is funded by the component in proportion to the number of items being bought by each component. The lead component has total program funding authority. Joint PMs must ensure that:

- Participating components fund component-unique integration and improvements and resulting procurements.
- Participants commit funds while MOAs and MOUs discuss funding.

The National Defense Authorization Act of 1993 changed the guidelines for withdrawing from joint programs, as follows:

- For ACAT I programs, the head of the withdrawing DoD component must notify the USD(A&T), the Vice Chairman of the Joint Chiefs of Staff (VCJCS), and the concerned component acquisition authority before withdrawing or “substantially reducing” program participation.
- Substantial reduction in program participation consists of a 50 percent or more decrease in its share of next presidential budget year funding, in total program funding, or in equipment quantities by the components seeking to reduce their participation.

The lead component assesses the impact of the participating component withdrawing or substantially reducing participation. The Joint Requirements Oversight Council (JROC) and DAB or the OIPT reviews this analysis and make recommendations. The USD(A&T) makes the final determination of whether the withdrawing component may drop the program or substantially reduce participation and whether the withdrawing component will be liable for any continuing funding costs. The withdrawing component may not reduce or eliminate funding prior to

the USD(A&T)'s final decision.

Similar procedures are used for ACAT II and III programs, with the lead component making an initial determination of whether the withdrawing component will have continuing financial obligations for the program. For ACAT II and III programs, withdrawal decisions by the head of the lead component or CAE may be appealed to the USD(A&T).

Views of Former Joint PMs:

- *Joint training saves dollars and adds to trade-offs and assistance for operational users. Joint logistics (one depot) helps monies pass through various checkpoints in the planning, programming, and budgeting system (PPBS). Any "jointness" that works needs to be emphasized and reemphasized to Congressional staffers and DoD agencies. Saves the program, sometimes.*

Any defaults or withdrawals from a program may have to be paid for by the component that bows out. The component should continue to pay for the program through the next milestone or PPBS cycle.

C⁴I Support Plan

DoD 5000.2-R requires a C⁴I support plan for all weapon systems/programs that interface with C⁴I systems. The format for the C⁴I support plans is planned for inclusion in the Acquisition Deskbook by October 1996.

Quality Assurance (QA)

A joint program must have a single QA program, a single change control program, a single integrated test program, and common documentation.

MDA may waive non-statutory requirements						
Information	Milestone				Reference	
	0	I	II	III	DoD 5000.2-R	Other
Acquisition Decision Memorandum (ADM)		X	X	X	Part 5	
Acquisition Strategy (8 elements)		X	X	X	Part 3.3	10 USC 2435
Acquisition Program Baseline (APB)		X	X	X	Part 3.2.2	
Affordability Assessment		X	X	X	Part 2.5.2	
Analysis of Alternatives ¹	X	X			Part 2.4	
Beyond Low Rate Initial Production (LRIP) Report				X	Part 6.3.3	10 USC 2400
Component Cost Analysis (CCA)		X	X	X	Part 5.6	DoDD 5000.4
Cost Analysis Requirements Description (CARD)		X	X	X	Part 3.5.1	DoDD 5000.4
Exit Criteria		X	X	X	Part 3.2.3	
FYDP Funding Profile		X	X	X	Part 2.5.1	
Independent Estimate of Full Life Cycle Cost		X	X	X	Part 3.5.1	10 USC 2434
Legality of Weapons Under International Law ²			X	X		DoDD 5000.1
Live Fire Test & Evaluation Waiver Certification ²			X		Part 3.4.9	10 USC 2366
Live Fire Test & Evaluation (LFT&E) Report ²				X	Part 6.3.2	10 USC 2366
Low Rate Initial Production (LRIP) Quantities ²			X		Part 1.4.4.1	10 USC 2400
Manpower Estimate			X	X	Part 3.5.2	10 USC 2434
Mission Need Statement (MNS)	X				Part 2.3	CJCS MOP 77
Operational Requirements Document (ORD)		X	X	X	Part 2.3	CJCS MOP 77
Overarching IPT (OIPT) Leader's Report ²	X	X	X	X	Part 5.4.1	
OIPT Staff Assessments	X	X	X	X	Part 5.4.1	
Program Office Estimate (POE) (life cycle costs)		X	X	X	Part 3.5.1	
System Threat Assessment ²		X	X	X	Part 2.2	
Test & Evaluation Master Plan (TEMP)		X	X	X	Part 3.4.11	10 USC 2399
Test Results (DT&E, OT&E, LFT&E, etc.)			X	X	Part 6.3.1	
Notes: 1. MS 0 for AIS programs; MS I for others. May be required for MDA for MS II and III. 2. Normally not required for AIS programs						

**Figure 2-2. Information for Milestone Reviews
ACAT I and IA Programs**

Information Requirements for Milestone Reviews

Throughout the acquisition life cycle, the joint PM must comply with a number of requirements to provide program information to the MDA. Figures 2-2 and 2-3 show information that may be used by a typical joint program office to support a milestone review. Some additional information for use in joint program management is provided for some, but not all of the

MDA's for ACAT II & III programs have wide latitude and broad authority over the content and format of many (but not all) of these information elements MDA may waive non-statutory requirements						
Information Element	Milestone			Reference		
	0	I	II	III	Primary	Other/Related
Acquisition Strategy		X	X	X	DoD 5000.2-R, 3.3	Core Mgmt Issue
Acquisition Program Baseline (APB)		X	X	X	DoD 5000.2-R 3.2.2	Core Mgmt Issue
Affordability/FYDP funding		X	X		DoD 5000.2-R, 2.5.2	Core Mgmt Issue
Analysis of Alternatives ¹	X	X			Core Mgmt Issue	DoD 5000.2-R, 2.4
Cost as An Independent Variable (CAIV) Objectives ²		X	X	X	DoDD 5000.1, D.1.e	DoD 5000.2-R, 1.5
Environmental Health & Safety (EHS) Assessment ^{2,3}		X	X	X	DoD 5000.2-R, 3.3.6	42 USC 4321-47
Legality of Weapons Under International Law ³			X	X	DoDD 5000.1, D.2.j	
Life Cycle Cost Estimate		X	X	X	Core Mgmt Issue	DoD 5000.2-R, 3.5.1
Live Fire Test & Evaluation Waiver Certification ^{3,4}			X		DoD 5000.2-R, 3.4.9	10 USC 2366
Live Fire Test & Evaluation Report ^{3,4}				X	DoD 5000.2-R, 6.3.2	10 USC 2366
Low Rate Initial Production (LRIP) Quantities ^{3,5}			X		DoD 5000.2-R, 1.4.1.1	
Mission Need Statement (MNS)	X				CJCS MOP 77	DoD 5000.2-R, 2.3
Operational Requirements Document (ORD)		X	X	X	CJCS MOP 77	DoD 5000.2-R, 2.3
Risk Assessment ²		X	X	X	DoDD 5000.1, D.1.d	DoD 5000.2-R, 3.3.2
Staff Assessments		X	X	X	DoDD 5000.1, D.2.g	
Test & Evaluation Master Plan (TEMP) ⁶		X	X	X	DoD 5000.2-R, 3.4.11	10 USC 2399
Test Results (DT/OT/LFT&E) ⁶			X	X	DoD 5000.2-R, 6.3.1	
Notes: 1. MS 0 for AIS programs; MS I for others. May be required by MDA for MS II/III. 2. May be included in acquisition strategy. 3. Normally not required for AIS programs. 4. Covered ACAT II & product improvements to covered systems. 5. ACAT II only. 6. Programs on OSD T&E Oversight List and others designated by MDA.						

**Figure 2-3. Information for Milestone Reviews
ACAT II and III Programs**

information elements. DoD 5000.2-R, and the Defense Acquisition Deskbook go into more detail. The Defense Acquisition Deskbook is an automated reference system consisting of an on-line bulletin board and a reference library at <http://deskbook.osd.mil/deskbook> on the World Wide Web. The Deskbook reference library will be issued to the field on CD-ROM by the time this handbook is printed. The reference library contains mandatory policy and procedures (FAR/DFARS, 5000 documents, extracts from public law, Service and Agency regulations, etc.), and a discretionary section with amplifying guidance and lessons learned.

Because of the need to coordinate with multiple components, it often takes twice as long as for a single component program

to generate program information. Consequently, the joint PM needs to assess the program office's information requirements at an early stage and allow sufficient time not only for developing the information but also for coordinating with participating components.

Single Document for Milestone Decision Reviews

The DoD 5000.2-R provides that information required for milestone reviews may be combined into a single document. Further, if stand-alone documents are used, they must not contain redundant information in each document. The Air Force uses a single document called a *Single Acquisition Management Plan (SAMP)*. The SAMP is not a plan at all, it is an executive summary of information the MDA needs to make an informed decision. The joint PM may want to consider developing a single document for milestone reviews. One joint program, the Joint Direct Attack Munitions (JDAM) program, developed a SAMP for Milestone II. This JDAM SAMP was an executive "summary of the program at a level meant for the MDA to read and understand." It replaced all other DAB documents except the following, which remained as stand-alone:

- Acquisition Program Baseline (APB);
- Test and Evaluation Master Plan (TEMP);
- Joint Operational Requirements Document; and
- Cost Analysis Requirements Description (CARD).

The JDAM SAMP also did not replace the Acquisition Plan (a FAR/DFARS requirement). It only included major topics relevant to the milestone decision and the oversight process. Program details were in separate documents that the program office or contractor developed and maintained.

The following summaries include partial clarification on the joint implications of some of the milestone information requirements.

Analysis of Alternatives

The lead component head, or designated representative, often an operating command, is responsible for the analysis of alternatives. The analysis of alternatives (mandatory for ACAT I programs) are prepared by the lead component and considered at milestone reviews beginning at Milestone I. If the analysis of alternatives is supplemented by other participants, the lead component must ensure that assumptions and methodologies are consistent. Large joint programs will likely have modeling support to perform this analysis. Former joint PMs recommend several different models to improve and verify analysis.

View of Former Joint PM:

Economy of scale is an important issue in the Cost and Operational Effectiveness Analysis (COEA)⁷ and requirements process.

Cost Analysis Requirements Description (CARD)

The CARD is prepared by the lead component with inputs from participants. The CARD establishes a system description for cost estimating purposes. For joint programs, the CARD must include common salient system features as agreed to by the participants and service-unique requirements. The CARD is provided in preliminary form to the Cost Analysis Improvement Group (CAIG).

⁷ COEA has been replaced by the analysis of alternatives.

System Threat Assessment

The component intelligence command or agency produces the initial system threat assessment, described in Part 2, DoD 5000.2-R, before Milestone I. The system threat assessment contains a system-specific threat, e.g., hostile air defenses, an analysis of technically feasible weapons that could affect the proposed system, and critical intelligence parameters that, if changed, could affect the weapon system. The Director, Defense Intelligence Agency (DIA), advises the DAB and JROC and validates threats developed by the components for DAB review. The joint PM should understand the system threat assessment and be able to brief its status, but should leave substantive intelligence issues to professional intelligence officers.

Test and Evaluation Master Plan (TEMP)

Appendix III of DoD 5000.2-R describes TEMPs. Joint programs require a single TEMP. Therefore, the joint PM must broker a coordinated TEMP with the participants for DT and OT&E. The DOT&E and the DTSE&E are the approval authorities for TEMPs of programs listed on the OSD T&E Oversight list.

Acquisition Program Baselines (APB)

Rigorous internal management control systems are integral to effective and accountable program management. The objective is to perform acquisition functions efficiently and effectively. Joint PMs should control objectives for acquisition program cost, schedule, and performance parameters that are embodied in APBs. Material weaknesses are identified through deviations from approved APB parameters and exit criteria.

